



STAFF REPORT PLANNING COMMISSION

DATE: February 13, 2018

TO: Planning Commission

SUBJECT: PUBLIC HEARING: Zeiss Innovation Center - Planned Development Rezone with a related Stage 1 and Stage 2 Development Plan and Site Development Review Permit (PLPA-2017-00025)
Prepared by: Martha Battaglia, Associate Planner

EXECUTIVE SUMMARY:

The Planning Commission will consider and make a recommendation to the City Council regarding the Zeiss Innovation Center project. The proposed project consists of a 433,090 square foot research and development campus comprised of two buildings, a parking structure, and associated site, frontage, and landscape improvements to be built in two phases. Requested land use approvals include a Planned Development Rezone with a related Stage 1 and Stage 2 Development Plan for the entire 11.36 acre site, and a Site Development Review Permit to construct Phase 1. The initial phase includes a 208,650 square foot research and development building, surface parking and related site improvements. A Supplemental Mitigated Negative Declaration was prepared for the project under the California Environmental Quality Act (CEQA).

RECOMMENDATION:

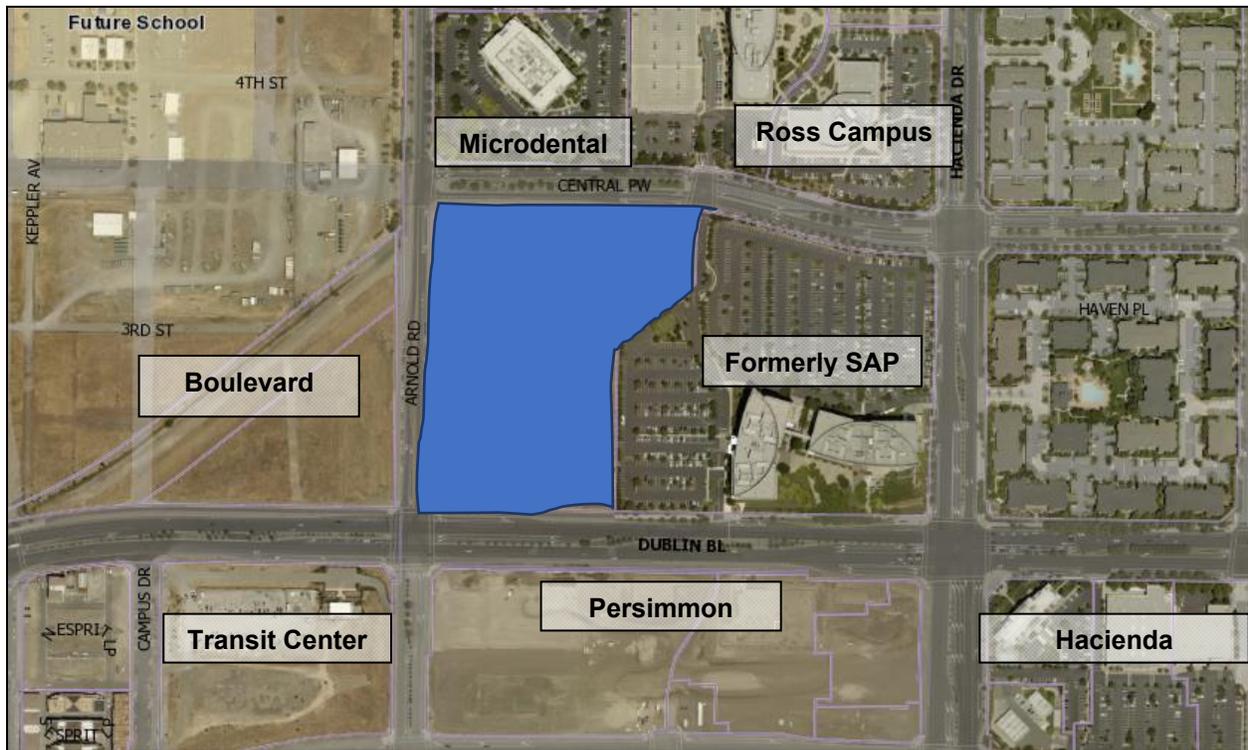
Disclose ex-parte contacts, conduct the public hearing, deliberate and adopt the following **Resolutions**: a) Recommending that the City Council adopt a Resolution adopting a Supplemental Mitigated Negative Declaration for the Zeiss Innovation Center project; b) Recommending that the City Council Adopt an Ordinance amending the Zoning Map and approving a Planned Development Zoning District with a related Stage 1 and Stage 2 Development Plan for the Zeiss Innovation Center project; and c) Recommending that the City Council adopt a Resolution approving a Site Development Review Permit for Phase 1 of the Zeiss Innovation Center project.

DESCRIPTION:

Carl Zeiss, Inc. has submitted an application to build a research and development facility on approximately 11.36 acres of land located on the northeast corner of Dublin Boulevard and Arnold Road, as shown in the vicinity map below. The property has a General Plan and Eastern Dublin Specific Plan land use designation of Campus Office, which allows for the development of a “campus-like setting for office and other non-retail commercial uses.” Typical uses include professional and administrative offices,

research and development, business and commercial services, and limited light manufacturing.

Figure 1: Project Vicinity



The project site and the site immediately to the east (formerly SAP/Sybase) were originally one parcel commonly referred to as Site 15. Site 15 previously had a High Density Residential land use designation. In June 2000, Site 15 was subdivided into two parcels. The land use designation for the eastern parcel (Site 15B) was changed from High-Density Residential to Campus Office and approval was granted to develop the two 6-story office buildings totaling approximately 418,000 square feet that exist today.

In 2001, Cisco Systems submitted an application to develop Sites 15A (project site) and 16A (located south of Dublin Boulevard). The proposal included a General Plan and Specific Plan Amendment to change the land use designation of Site 15A from High-Density Residential to Campus Office. The total proposed development between Site 15A and 16A combined was 862,000 square feet. A total of 433,500 square feet was assigned to Site 15A. Cisco Systems later withdrew their application; however, the property owner (Alameda County Surplus Property Authority) continued processing the General Plan and Specific Plan amendments for Site 15A.

In 2003, the City Council approved the General Plan and Eastern Dublin Specific Plan Amendment to change the land use designation of the project site to Campus Office (Resolution 66-03). The City Council also adopted a Mitigated Negative Declaration, Statement of Overriding Considerations and a Mitigation Monitoring Program for the project (Resolution 65-03).

The Applicant, Carl Zeiss Inc., is currently proposing a 433,090 square foot campus office development on Site 15A. The project would include two office buildings, a

parking structure and associated site, frontage and landscape improvements to be constructed in two phases. The application includes a request for the following:

1. Planned Development Rezone with a related Stage 1 & Stage 2 Development Plan for the entire site.
2. Site Development Review Permit for the Phase 1 building and related site improvements.
3. Approval of a Supplemental Mitigated Negative Declaration.

ANALYSIS:

Planned Development Rezone

The proposed Planned Development Rezone with a related Stage 1 and 2 Development Plan meets the requirements outlined in Chapter 8.32 of the Dublin Zoning Ordinance. The proposed PD will establish the detailed development plan for the entire project site. This includes a list of permitted uses, preliminary site plan, development standards, architectural standards, phasing and preliminary landscape plan.

The proposed PD will allow Campus Office uses consistent with the intent of the Campus Office land use designation. The PD includes development standards that would allow up to 433,090 square feet of development on the project site with a maximum Floor Area Ratio (FAR) of 0.80 combined across Sites 15A and 15B as shown in Table 1 below.

Table 1. Floor Area Ratio

Parcel	Lot Area	Development	Floor Area Ratio
Site 15A (APN: 986-0014-010)	494,842 SF	433,090 SF	
Site 15B (APN: 986-0014-011)	625,843 SF	418,442 SF	
Total	1,120,685 SF	851,532 SF	76%

The PD allows for buildings of up to 5 stories and a building height of no more than 75 feet to the finished floor of the highest story. The maximum building height is 90 feet (tower elements, architectural and articulated design features, solar panels and small-scale wind turbines may extend 10 feet above maximum beyond this height). These development standards are consistent with the existing office buildings to the east on Site 15B (formerly Sybase/SAP).

The project is proposed to be developed in two phases as shown in Table 2 and the site plans below.

Table 2. Phasing Plan

	Building/Use	Size (Square Feet)	Estimated construction timeframe
Phase 1	Building 1: R&D, office, warehouse, showroom/demo center, surface parking and related improvements.	208,650 SF	2018-2020
Phase 2	Building 2: R&D, office, warehouse Parking Structure	224,440 SF	2025-2030
	Total Project Size	433,090 SF	

Phase 1 Site Plan



Phase 2 Site Plan



A Resolution recommending that the City Council approve the Planned Development Zoning is included as Attachment 1 with the draft Ordinance included as Attachment 2 to this Staff Report.

Site Development Review Permit – Phase 1

The first phase of the Zeiss Innovation Center is the 208,650 square foot research and development facility. This facility will contain research and development labs, offices, a demonstration center and show room, warehouse, loading area, shipping and receiving, an employee cafeteria, along with surface parking for 664 vehicles and associated site improvements such as landscaping and frontage improvements. Please refer to Attachments 3 and 4 for the project plans.

Site Plan

The project site includes seasonal wetlands that occur as nine separate topographic depressions where seasonal inundation and/or saturation occur during the rainy season. The Applicant is proposing to preserve the largest wetland area (W06), which is located in the approximate center of the project site. The site plan was largely influenced by the location of W06 and the Applicant’s decision, in consultation with the environmental resource agencies, to preserve this wetland area (a more in depth

discussion of the wetland is included in the landscape section). Refer to Attachment 3, Sheet A1.00 for the site plan and Sheet C2.00 for the location of the wetlands.

The proposed building is located at an angle to the site. The longest elevations of the building are oriented to the north and south (facing Dublin Boulevard). At the southwestern corner of the building the setback to the property line is approximately 220 feet from Dublin Boulevard. At the southeastern corner of the building the setback to the property line is approximately 50 feet. Along the western property boundary, the building setback is 20 feet. The portion of the site fronting Dublin Boulevard consists of generous tree plantings and a bio-retention area. The bio-retention area located in the southwestern portion of the site covers 11,700 square feet and will treat the stormwater runoff from building rooftops, surface parking lots, roadways and the Phase 2 parking garage. An entry plaza is located north of the building, which includes a water feature and an outdoor seating area.

A trash/recycling enclosure, nitrogen/emergency generator enclosure and loading areas are located at the east side of the building.

Access, Circulation, and Parking

Vehicular access to the project will be provided primarily by an existing shared driveway on Central Parkway called Park Place. A secondary access for delivery and emergency vehicles will be provided through the adjacent Park Place campus by way of an existing driveway on Dublin Blvd.

A surface parking lot is proposed north of the building. This surface parking lot will be replaced by a second office building and parking structure when Phase 2 is developed. The Phase 1 site plan identifies 664 parking spaces, and includes 40 spaces for electric vehicles and charging facilities.

The proposed building will include research and development labs and offices. Therefore, the parking requirement is a blend of two different use types. The total required parking for the Phase 1 office building (208,650 square feet) is 614 parking spaces as shown in Table 3 below. The project will include 50 more vehicular spaces than is required. The project also provides 35 long-term and 35 short term bicycle parking spaces in both lockers and racks.

Table 3: Required Parking

Use	Parking Requirement	Total Area	Required Number of Parking Spaces
Laboratory Space	1 per 300 square feet	36,483 SF	122
All other areas (office, showroom, cafeteria, etc.)	1 per 350 square feet	172,167 SF	492
Total Stalls Required			614
Total Stalls Provided			664
Surplus			50

The Applicant will also be providing shuttle service to and from the East Dublin/Pleasanton BART station as part of their Transportation Demand Management (TDM) program.

Building Design/Architecture

The north/south orientation of the building was designed to provide naturally lit interior spaces. The building orientation is to the landscaped corner at Dublin Boulevard and Arnold Road. The east elevation of the building pulls south to accommodate the preserved wetland area on the north side of the building. The proposed office building is 3 stories and is 50 feet to the top of the roof and 62 feet to the top of the roof screen.



The project architecture is contemporary with angular lines and includes high quality exterior materials. Overall the proposed Zeiss Innovation Center building design is modern, with extensive glass glazing on all four elevations. Façade treatments include glass panels, façade glazing, translucent glass, and metal

panels. Separating the individual glass panels are translucent vertical “fins” on all elevations of the building. The vertical fins will control the light entering the building and create texture on the façade. Different types of glass are used in different areas of the building. Translucent glass is used on the first floor where the labs are located and also surround the stairwells. The translucent glass allows light to pass through; however, the light is diffused so that people and objects on the opposite side are not clearly visible. Transparent glass is used on the first floor at the lobby and on the upper floors where the offices, open space areas and cafeteria are located. Please refer to Attachment 3, Sheets A2.02 and A2.03 for the building elevations.

The contemporary design of the Zeiss Innovation Center complements the surrounding area. The adjacent office building, BART station, Persimmon Place, and The Boulevard residential development all have contemporary architecture with color palettes and urban forms that are clean and simple and site designs that emphasizes interaction and access to common spaces. The following are schematic views of the proposed project. Please refer to Attachments 3 and 4 for complete plans.

Zeiss Innovation Center Aerial



View from Dublin Blvd.



Entry Plaza Area



Landscape Plan

Landscape features are located on both the north and south sides of the building. To the north of the building is an enhanced seasonal wetland and a surrounding buffer planted with wetland and native plants. The proposed project would avoid and enhance the largest wetland located on the site by planting native wetland vegetation, and preserving the upland buffer around its perimeter. The Applicant is preserving 0.85

acres on the site, which includes the 0.58 acre wetland area and an additional 0.27 acre buffer area.

The Applicant proposes to create a park-like environment adjacent to the wetland that is accessible to the public. An impervious pathway is proposed to be constructed within the buffer surrounding the seasonal wetland. Located west of the seasonal wetland are a 20-foot wide pedestrian boardwalk, landscaped garden, and a permanent water feature. An outdoor seating area is proposed just north of the building near the water feature, as shown in the rendering above.

Landscaping south of the building would include shrubs surrounding a landscaped bio-retention basin. A grove of trees is proposed south of the building. Shrubs and trees are also proposed around the perimeter of the project site. The trees along the perimeter of the site are all 24" box. The interior of the site includes a mix of tree sizes consisting of 15 gallon, 24" box, 36" box and 48" box. Refer to Attachment 3, Sheet L4.01 for additional information on tree species and sizes, and the plant palette.

Public Art Compliance

The Applicant has elected to provide public art on the project site. The location of the public art has not yet been finalized. The art piece and location is subject to review by the Heritage and Cultural Arts Commission and approval by the City Council. However, the Applicant is proposing to locate public art near the wetland area where it will be accessible to the public.

A Resolution recommending that the City Council approve the Site Development Review Permit for Phase 1 is included as Attachment 5 to this Staff Report with the Draft City Council Resolution included as Attachment 6.

CONSISTENCY WITH THE GENERAL PLAN AND ZONING ORDINANCE :

The proposed project is consistent with the General Plan and Eastern Dublin Specific Plan Land Use designation of Campus Office, which allows for research and development uses. The proposed project has been reviewed for conformance with the Community Design and Sustainability Element of the General Plan. The project has been designed to be compatible with adjacent and surrounding developments. Pedestrian circulation and gathering spaces have been linked together with sidewalks and public streets. In general the proposed project furthers the goals of the Community Design and Sustainability Element of the General Plan by providing a high quality building that is utilizing contemporary, high-quality materials and finishes in compliance with the design guidelines.

REVIEW BY APPLICABLE DEPARTMENT AND AGENCIES:

The Building Division, Fire Prevention Bureau, Public Works Department, and Dublin San Ramon Services District reviewed the project and provided Conditions of Approval where appropriate to ensure that the project is established in compliance with all local ordinances and regulations. Conditions of Approval from these departments and agencies have been included in the attached Resolution pertaining to the Site Development Review (Attachment 6).

ENVIRONMENTAL REVIEW:

The development on the project site has been addressed in two prior CEQA documents, an Environmental Impact Report (EIR) for the Eastern Dublin Specific Plan and a Mitigated Negative Declaration (MND) for the proposed Cisco project. The project site is located within the Eastern Dublin Specific Plan area and was addressed in the General Plan Amendment/Eastern Dublin Specific Plan EIR. The General Plan Amendment and Eastern Dublin Specific Plan were adopted by the City Council to encourage orderly growth of the Eastern Dublin Specific Plan area. The Eastern Dublin Specific Plan EIR is a Programmatic EIR and evaluated the potential environmental effects of urbanizing Eastern Dublin.

On May 10, 1993, the Dublin City Council adopted Resolution No. 51-93, certifying an Environmental Impact Report for the Eastern Dublin General Plan Amendment and Eastern Dublin Specific Plan (Eastern Dublin EIR, SCH #91103064). The certified EIR consisted of a Draft EIR and Responses to Comments bound volumes, as well as an Addendum dated May 4, 1993, assessing a reduced development alternative. The City Council adopted Resolution No. 53-93 approving a General Plan Amendment and a Specific Plan for the reduced area alternative on May 10, 1993. On August 22, 1994, the City Council adopted a second Addendum updating wastewater disposal plans for Eastern Dublin.

The Eastern Dublin EIR addressed the cumulative effects of developing in agricultural and open space areas and the basic policy considerations accompanying the change in character from undeveloped to developed lands.

In 2001, the City prepared an Initial Study to evaluate site-specific impacts of the proposal to change the General Plan and Eastern Dublin Specific Plan land use designation of Site 15A from High Density Residential to Campus Office. The Initial Study included a greater level of detail than the program EIR. Based on the Initial Study, the City prepared and circulated a Mitigated Negative Declaration (Cisco Systems MND, SCH #1991103064). It was determined that with the implementation of Mitigation Measures previously adopted for the Program EIR and with site-specific Mitigation Measures contained in the Initial Study, potential site specific impacts of the proposed project would be reduced to a level of insignificance, and therefore, the proposed project would not have a significant effect on the environment.

Consistent with CEQA section 21166 and related CEQA Guidelines sections 15162/15163, the City prepared an Initial Study to determine whether additional environmental review was required for the proposed project. The Initial Study examined whether there were substantial changes to the proposed development, substantial changes in circumstances, or new information, any of which would result in new or more severe significant impacts than analyzed in the prior EIR and MND or if any other CEQA standards for supplemental environmental review were met. The Initial Study determined that there were new potentially significant impacts associated with the project related to biological resources; therefore, a Supplemental Mitigated Negative Declaration was prepared to analyze those biological impacts. A Resolution recommending that the City Council adopt the Supplemental Mitigated Negative Declaration is included as Attachment 7 with the draft City Council Resolution included as Attachment 8. The Supplemental Mitigated Negative Declaration/Initial Study is included as Attachment 9.

The project is subject to mitigations identified in the Supplemental Mitigated Negative Declaration, the previously adopted Mitigated Negative Declaration, and the Eastern Dublin Specific Plan EIR as applicable. The City will monitor the Applicant's compliance with mitigation measures as the project is constructed and operated under the Mitigation Monitoring and Reporting Program adopted in conjunction with the project approvals. The Mitigation Monitoring and Reporting Program is included as Attachment 10.

The Supplemental Mitigated Negative Declaration/Initial Study was circulated for a public review period from December 13, 2017 to January 30, 2018. The City received four comment letters during the public review period. Though not required by CEQA, the City prepared a response to the comments (Attachment 11).

The environmental effects of the project are discussed in detail in the Supplemental MND for the project. However, the following is a summarized list of potential project impacts on biological resources and the mitigation measures recommended by the Supplemental MND to reduce these impacts to a less-than-significant level.

Potential Impacts – Biological Resources

Seasonal wetlands are located on 1.03 acres of the project site and occur as nine separate topographic depressions where seasonal inundation and/or saturation occur during the rainy season. Vegetation within the seasonal wetlands is sparse, and dominated by a mixture of predominantly non-native grasses and forbs, all of which are adapted to high levels of disturbance. Implementation of the proposed project would result in permanent impacts to 0.45 acres of seasonal wetlands and preserve the remaining 0.58 acres. In addition to the seasonal wetlands, two locally rare plant species were identified, namely; Congdon's tarplant and California dock.

Mitigation Measure BIO-1 requires a pre-construction survey be conducted for Burrowing Owls prior to any ground disturbance and mitigation for any impacts on the owls. Mitigation Measure BIO-2 requires that rare plant surveys be conducted within the construction zone and mitigation for impacts on protected plant species. Mitigation Measure BIO-3 requires the performance of pre-construction breeding bird surveys be conducted no more than 14 days prior to initial ground disturbance and avoidance of disturbance of any active nests. Mitigation Measure BIO-4 requires the Applicant to obtain all required resource agency permits and approval of a wetland mitigation plan that ensures no-net loss of wetland and waters habitat prior to obtaining the first site grading or building permit for development activities involving ground disturbance.

NOTICING REQUIREMENTS/PUBLIC OUTREACH:

In accordance with the City's policy, the Applicant installed a Planning Application Notice Sign along the project frontages. The sign includes details about the project and how to find out more information. The project is also included on the City's Project Development Website.

In accordance with State law, a public hearing notice was published in the *East Bay Times* and posted at several locations throughout the City. Notices were mailed to all property owners and tenants within 300 feet of the project site. Notices were also mailed to interested parties, which included the agencies that provided comments on the

Supplemental Mitigated Negative Declaration. A copy of the Staff Report has been provided to the Applicant and posted to the City's website.

ATTACHMENTS:

1. Resolution Recommending Adoption of a Planned Development Zoning Ordinance
2. Exhibit A to Attachment 1. Draft City Council Ordinance Adopting Planned Development Zoning
3. Project Plans
4. Color Renderings
5. Resolution Recommending City Council Approval of the Site Development Review Permit for Phase 1
6. Exhibit A to Attachment 5. Draft City Council Resolution Approving the Site Development Review Permit for Phase 1
7. Resolution Recommending Adoption of a Supplemental Mitigated Negative Declaration
8. Exhibit A to Attachment 7. Draft City Council Resolution Adopting the Supplemental Mitigated Negative Declaration
9. Exhibit A to Attachment 8. Zeiss Innovation Center Supplemental Mitigated Negative Declaration/Initial Study
10. Exhibit B to Attachment 8. Mitigation Monitoring and Reporting Program
11. Response to Comments February 2018